

CWA/AT&T MOBILITY BENEFITS

BARGAINING REPORT

June 7, 2008

The Union and Company committees met yesterday after spending Thursday carefully studying data provided by the Company.

We had many questions for the Company about items in their data and the Company agreed to provide answers as soon as they get them researched. We also have challenged the Company to substantiate their claims that our proposal represents a 60 percent increase to their initial costs. We feel that we have offered a comprehensive and fair health care proposal that is affordable for the Company and that our members deserve. Despite what the Company message to employees may have stated, at this point, it doesn't appear to us they are serious about trying to reach an agreement by June 30th.

We have recessed negotiations pending the Company's call with answers to our many questions.